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ABSTRACT

The education sector of New Zealand was restructured in 1989. Career Services was created by integrating the Vocational Guidance Service and careers information functions from the Department of Labor. The goal of the Career Services is to assist in the achievement of government education, training, and employment goals through high quality information, advice, and guidance services. Current government policy sees an accurate information system via the Internet as the central component of all government career information and guidance initiatives. Funding exists for career guidance in schools and for employed and unemployed adults. In considering policy issues for the present and future, the concept of lifelong learning is central to policy direction of the education system and labor market. In 1995, the government made decisions that underpin current policy on provision of career information and guidance services, which encourages diversity and responsiveness in the guidance market. Several action steps are identified to address these issues. Monitoring and evaluating current policy in relation to the ability of schools to deliver effective career education and guidance is one suggestion. Other suggestions are to increase the profile of career guidance in the wider community, and harnessing technology to maximize access and benefits of career guidance. (JDM)

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17. THE NEW ZEALAND POLICY FRAMEWORK FOR CAREER INFORMATION AND GUIDANCE

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Context

Government Structure

New Zealand operates under a democratic system of government appointed through a proportional representation system. The government consists of executive, legislative (Parliament) and judicial arms. Each government is elected for a three-year term and is served by a non-partisan public service. There are 120 members of Parliament representing the population of 3.8 million, of which 14 percent identify themselves as Maori. Government policy is determined by Cabinet that consists of key departmental ministers. The policy responsibility for career services rests with the Ministry of Education.

Economic Reform

In 1984, New Zealand embarked on a process of radical structural reform of the economy. There was a recognition of serious structural difficulties resulting from state intervention, insulation from the world economy and heavy direct taxation among other things. The government embarked on a process of deregulation of financial markets and industry, commercialization of state business and reforms of state departments. By the early '90s the government sector had undergone marked change, and the economy was changing rapidly. With the October 1987 share market crash came a recession, and unemployment increased through the mid to late '80s and early '90s.

Establishment of Career Services

The education sector was restructured in 1989. The all-encompassing Department of Education was divided into the Ministry of Education and a number of Crown entities. Career Services, a Crown entity, was created by amalgamating the Vocational Guidance Service and careers information functions from the Department of Labour, with the Transition Education Division from the Department of Education. Career Services has its own legislation, and is governed by a board appointed by the Minister of Education.

The goal of Career Services is to assist in the achievement of government education, training and employment goals through the provision of high-quality information, advice and guidance services designed to help people make informed career choices. The organization came into existence in

September 1990 with an initial budget of $17 million in direct government funding. In 1991, this budget was reduced to $5 million.

The reduction in direct government funding led to Career Services adopting an increasingly commercial focus. This required a major shift in culture within the organization and resulted in an organization focussed clearly on the needs of its clients. A positive consequence of developing an expanded commercial client base has been an increase in the quality of products and services in relation to all clients, including the Ministry of Education as purchaser of services on behalf of the government. Today, Career Services operates on an annual turnover of $8.5 million, of which $3.5 million comes from direct commercial activity.

Integration of Employment Needs and Income Assistance

On October 1, 1998 the government established a new department, Work and Income New Zealand (WINZ) designed as a one-stop shop, integrating the delivery of job search needs, income assistance, and employment and training referrals. WINZ was established by merging the income support arm of the Department of Social Welfare with the New Zealand Employment Services Division of the Department of Labour. The aim is to draw together, and maximize the effectiveness of, assistance to recipients of state benefits: guidance, information, income support, training and employment referrals. The establishment of this department endorses the government's policy of a seamless delivery of employment, education and training assistance for those seeking work. WINZ purchases career planning on behalf of its clients from Career Services and private providers. Career Services is, therefore, an essential player in getting WINZ clients back into the work force.

Structure of Education and Training System

Compulsory school sector

New Zealand students attend compulsory schooling from the age of five. Compulsory school education is generally free through the state system, although there are also a number of private schools to which parents can choose to send their children. The minimum school leaving age is 16. Most 16 year olds are in either year 11 or 12, and most undertake an additional one to two years of schooling. Crucial career development decisions students take while at school include the age at which to leave school, subjects to pursue further and whether to go on to further education or to enter the work force.

Tertiary education sector

The New Zealand tertiary education sector is diverse. The public tertiary sector includes seven universities, 25 institutes of technology, four colleges of education, three *wananga* (Maori tertiary institutions) and 11 government training establishments. In addition, there are about 800 private education

and training providers, and a number of other government-funded targeted education services, e.g., adult literacy services. This is a large number of tertiary institutions given the size of New Zealand, and they offer a wide range of courses varying from introductory certificates to doctorates. Some single institutions cover all course types and levels.

In 1997, over 212,000 students were enrolled at public institutions and 34,000 at private education and training establishments. Government supports student participation through tuition subsidies available to all domestic students (the Universal Tertiary Tuition Allowance), student loans, living allowances and other targeted resources. Approximately 115,000 students have student loan accounts. The government funds the bulk of tertiary education tuition in New Zealand, meeting about 72.5 percent of costs for students at state institutions. Costs for students at private training establishments are subsidized by government on a different basis. However, this difference will be phased out. From 2000 onward, all students undertaking tertiary study will be subsidized by government at the same level.

National Qualifications Framework

The National Qualifications Framework is a structure designed to bring coherence to qualifications. Qualifications are registered at eight levels, from year 11 of schooling to postgraduate. Qualifications are defined in terms of learning outcomes and credit totals. Moderation systems ensure nationwide consistency in qualifications.

Provision of Career Services

Universal Careers Information Provision

Current government policy sees an accurate, high-quality information system as the central component of all government career information and guidance initiatives. Improving accessibility to accurate and comprehensive career- and education-related information underpins the relationship between career choices, education, training and employment.

The KiwiCareers Web site was formally established in July 1998 and has become a comprehensive source of career information on occupations, employment options, education and training courses, and funding sources. KiwiCareers will be the prime source of information and its predecessors, the paper-based Career Information Library and the computer-operated Quest data base program, will be phased out. KiwiCareers is accessible at no cost through any Internet access site <http://www.kiwicareers.govt.nz/>.

Career information and advice are also funded by the government and provided to the public free through Career Services branches. Customers are able to walk into, phone or fax any branch and receive career advice by

way of a brief over-the-counter support or use of the career resources and information free of charge. This includes paper-based career information, a skill-matching data base and use of KiwiCareers through the Internet.

Funding and Provision of Careers Information and Guidance in Schools
From January 1, 1997 it became mandatory for schools to provide career education for their students. An extra $3.5 million funding per year was budgeted for this. The funding is paid to schools as part of their general operations grant and is allocated on a per capita basis, weighted in favour of more needy schools. Schools are not required to account for spending the money on career information and guidance. However, the Education Review Office, the regulatory and monitoring authority for the school sector, is charged with auditing schools on their implementation of career education.

Schools receive a number of products and services from Career Services as a result of direct purchase by the Ministry of Education and at no direct cost to the school. These include school support visits, careers advice training days for school careers staff, KiwiCareers, career education seminars for parents, facilitation of partnerships between schools and industry, and information days targeting Maori and Pacific island students. Schools may also purchase other career-related products from Career Services and private providers through their general operations grant.

Funding and Provision of Careers Information and Guidance in Tertiary Education
There is no formal provision of career planning for tertiary students although information through KiwiCareers is available. While many tertiary education providers offer career advice and information, the quality is variable, and there is no requirement for them to do so. There also may be issues of impartiality, as tertiary institutions operate in an increasingly competitive market and have incentives to attract students. Tertiary institutions may also choose to provide their own in-house career services or purchase them from external providers. The majority provide services in-house.

Funding and Provision of Careers Information and Guidance for Unemployed Adults
There are a number of ways unemployed adults can access career information and guidance. The government provides for the provision of career guidance for the unemployed and other beneficiaries via case managers at WINZ who may purchase services on behalf of clients. This is not an automatic entitlement. Likewise, case managers at the Accident Compensation Corporation (ACC) purchase career guidance services on behalf of individuals being compensated for a work-related injury with the aim of getting them back to work.

It is important to note in these arrangements that although career planning services are provided directly to the individual, the government agencies purchasing the career planning on behalf of the individual are the Career Services clients. This influences the type of service provided and the individual's view of its value. The service provided is, therefore, in response to the referring organization's view of the type of assistance required. The services requested may not match the expectation of the individual receiving service, who may be in attendance because of a directive to do so.

The government also purchases guidance services for other client groups. There are a limited number of people with disabilities and caregivers returning to the work force for whom the Ministry of Education funds Career Services to provide career planning in the form of a non-contestable contract between the Ministry of Education and Career Services.

Funding and Provision of Careers Information and Guidance for Employed Adults

Services are provided on a commercial basis through Career Services and private providers, and funded by the individual or her/his employer. However, this is a limited market. Most fee-paying clients are in a higher socio-economic bracket and are largely catered to by private providers. A significant part of the career development industry in New Zealand is in outplacement, and career consultants are increasingly called on for career planning in areas of restructuring and redundancy. Career planning in this area is generally crisis oriented.

Policy Issues - Current and Future

The concept of lifelong learning is central to the policy direction of the education system and the labour market in New Zealand. Lifelong learning also encompasses learning that takes place outside formal education providers. Crucial to the success of lifelong learning is lifelong career guidance. Lifelong learning is premised on the fact that individuals will enter into education and training at different points throughout their working life and will need to make decisions about "upskilling" or "reskilling" at a number of different points in their working life. People will benefit from career guidance as they work through these life/work decision points. The availability of lifelong career guidance is a central component in realizing individual and economic benefits of lifelong learning.

A key issue over the next 10+ years will be the interplay of four key sets of changes: demographic, social, economic and technological. The key policy centres around the contribution career information and guidance can make to the development of human capability in the context of these significant and wide-ranging changes. Given the context described earlier, it is important that policies focus on the development of human capability,

including the workings of the labour market and the education and training market. It is also important to examine more specific issues arising from current New Zealand policy, which relies on the creation of a market for career guidance services.

Tertiary Education Policy and Career Development Policy

Tertiary review: increased access and participation, improved quality and stronger institutions

During 1997 and 1998, the government undertook a comprehensive review of tertiary education in New Zealand. The review concluded that tertiary education is the key to securing a career path, better quality of life, and a more equitable and dynamic society. The review also identified a number of challenges. These included the recognition that school leavers and adults will need to study at the tertiary level, often at several times in their lives, and that higher level knowledge and learning will become more important in achieving career and economic success in an increasingly knowledge-based economy.

The subsequent reforms are aimed at ensuring everyone has access to quality tertiary education, a fairer resourcing system recognizing both private and state providers, better quality teaching and courses, and effective accountability mechanisms for tertiary providers. All students, regardless of whether they study at a state or private provider, will have their tuition subsidized by the government. There is no limit on the number of places government will subsidize. This will have the effect of increasing the choice of education providers and courses open to students.

Career information and guidance central to tertiary review policy

Increasingly, individuals are investing more in tertiary education, either when they leave school or throughout their working lives. The government also subsidizes a significant portion of tertiary education. Given this investment, both government and individuals have an interest in the return on their investment in education and training. With increased choice, more opportunities and a rapidly changing labour market, individuals will require improved information and guidance in order to make crucial decisions. Career information and guidance have a role to play in maximizing personal and government investment in education and training.

Improved information regarding quality-assured qualifications and providers, as well as aggregated information on sector trends, will be publicly available to assist both students and providers in making decisions. Information available through KiwiCareers is likely to expand with more courses and providers. This will increase the demand for guidance in making educational and career change decisions.

A rapidly changing work force, the need for lifelong learning, the increase in the type and number of courses available, and student accessibility to those courses as a result of tertiary review decisions, pose a number of policy issues. Increased numbers in tertiary study will necessitate increased state investment. Decision making is based on a widening array of choices. The cost of inappropriate tertiary study choice is high, both to the individual and the state. The issue for government centres on safeguarding its investment and determining whether this can be met within existing policy frameworks.

Accessibility of information

The development of the KiwiCareers Web site is central to the government policy of providing quality information on which to base education and employment decisions. While KiwiCareers has advantages, it also raises a number of issues. One key issue is providing for people who do not have the resources or ability to access technology. A range of access points for career information and career guidance may be required. A key component of this is ensuring the visibility of career information and guidance. Unless individuals are aware that they can receive help and advice, how can they access it? Without visibility, the potential advantages of career information will not be maximized.

Human Capital Development, Labour and Career Development Policy

Integration with employment, labour and education policy

Career information and guidance serves as a bridge between employment, labour market and education policy. Career information and guidance services can enhance the workings of both the labour market and the education and training market. It is, therefore, an important link between labour and education policies. New Zealand has recognized the need to maximize human capability in both its labour and education policy. Career information and guidance form the other arm required to increase individual capability which collectively leads to increased social and economic benefits. With career policy development being vested primarily with the Ministry of Education, it is important that policy development be linked closely to the wider labour force context. Integration of labour and employment perspectives is central to ensuring useful ongoing policy development.

Importance of career information and guidance for employed adults

A key issue for the future of career development policy is raising public, employer and political awareness of the importance and value of career planning in the context of lifelong learning. In today's changing labour market, individuals will benefit from guidance on labour market opportunities, education and training opportunities, and skills assessment, at a number of points in their career. Career information and guidance have benefits for everybody, not just students or those out of work. There are

significant benefits for employers in ensuring staff have access to quality career information and guidance as the traditional employer–employee relationship changes.

As the world of work changes, people will increasingly be required to change and update their skills, in order to keep up with rapidly changing technology and job requirements. Some of this learning will take place within existing jobs, although more and more people will be changing jobs or occupations more frequently. Career guidance has a role to play in ensuring there is the opportunity to develop improved skills, knowledge and attitudes to give people a better chance of gaining a more productive career, generating sufficient income and, ultimately, having more choices in life and becoming more self-managing. This is important in countering the negative social impacts of low earnings, low opportunities and unemployment. The importance of lifelong learning within employment needs to be developed further to maximize the opportunities for individuals. Employers need to be convinced of the benefits of investing in career development for their employees. Similarly, employees need to seek opportunities within their existing employment.

Changes to retirement legislation

The work force is changing rapidly. Careers are becoming less structured around a permanent job and more likely to encompass broader lifestyle considerations. On February 1, 1999 changes to retirement legislation came into effect which have an impact on the careers information and guidance industry. It is now illegal for employers to retire staff on the basis of age. Many people may, through choice or necessity, continue their working lives beyond the previous retirement age of 65. For some, the goal will be a mixture of part-time, paid work and pursuit of other interests. Career information and guidance have a role to play in ensuring that people make successful transitions throughout their careers, including the transition to full or partial retirement. Currently, there are no career guidance services, and little career information, targeted to those older workers who will face an increased range of choices following the legislation change.

Issues Arising from Establishing a Market for Career Guidance

In 1995, the government made a number of decisions that underpin current policy on the provision of career information and guidance services. The key decisions centred on government ownership and provision of career information, and the establishment of a contestable market for career guidance. The rest of this paper examines some issues arising since those decisions were taken.

Government policy on guidance, since 1995, has been to encourage diversity and responsiveness in the guidance market. It is believed that the purchase of guidance on a contestable basis will encourage more guidance

practitioners into the market and enhance the quality of service. Diversity of service provision may also help bring guidance services to specific individuals and targeted groups, e.g., delivery by Maori for Maori.

Market failure or gaps in provision

Although establishing a market in guidance is designed to improve diversity and responsiveness, there is a risk that gaps in provision may arise. Evidence suggests there is still only a limited market in guidance and one that is inconsistent throughout the country. Unless there is a guarantee of services to rural and provincial areas, certain regions of New Zealand risk being excluded. There is also a risk guidance providers will become concentrated in the upper end of the market. For instance, a growing area is in human resource consulting; however, these services tend to be of assistance for those with experience in a particular field, who are readily employable.

Quality guidance services are also required at the lower end of the market for those with limited resources, who may require further assistance in order to maximize the benefit of careers information. Career guidance services need to be appropriate to client needs. For many people, further formal education and training may not be a realistic option; yet, those people could still enhance their career development through other avenues. Career guidance can assist in identifying the full range of opportunities available to individuals.

Part of the issue in establishing a market in career guidance is the need to change the way guidance is viewed. Traditionally, guidance has not been seen as a commodity and, therefore, not something to be provided by the market. Individuals find it aversive to pay for career guidance as it is viewed as an intrinsic right for all. Career guidance also is not valued sufficiently. There is a need to persuade the general population that career guidance is important and worth investing in *before* significant investment is made in education, and as an ongoing part of working life. The issue of valuing guidance is key. It affects not only individuals, but also employers and government, as the risks or gains of career decision making impact directly on both.

The need for public education is apparent. The term "career" may be alien to some members of the public who would not regard what they do to earn a living as a career. It may also exclude those not in paid employment. Traditionally, career has meant a progressive climb up the ladder in a chosen profession. Although many experts claim this definition no longer applies, it still has currency with the general public.

Impartiality of career guidance

Government has recognized the importance of impartiality in career information through its ownership and funding of career information provision, including KiwiCareers. Equally important is impartiality in career guidance. Although careers advisers at schools and tertiary education providers have access to impartial information through KiwiCareers, educational institutes may have a vested interest in attracting or retaining students. This may pose a potential conflict of interest in providing impartial career guidance and put the government majority contribution to the cost of study at risk.

Access to career guidance for target groups

Government has identified the provision of career guidance to some targeted groups as a priority. The groups include Maori, Pacific islanders and people living in rural communities. There is a need to ensure services successfully meet the needs of these two groups. Government has yet to determine how it will ensure focussed services for Maori and Pacific island people. Contracts may become available under a contestable system; however, it is unclear if there will be quality providers able to deliver these targeted services.

To ensure there is equity in the provision of career information and guidance, focussed provision is also required for rural New Zealanders who have difficulty accessing services. Access issues may continue for certain groups in a competitive environment. Likely, guidance providers will concentrate their services in areas where there is high demand. Providers may also charge a premium in areas where there are a limited number of professionals. This is not just a geographical issue. Ultimately, the market will need to cater to different career needs.

Quality in career guidance: regulatory, monitoring and quality issues

As increasing numbers of private providers enter the market, quality of service becomes an issue. A quality service provider should supply clients with impartial career planning services, supported by comprehensive, up-to-date training and labour market information. This raises questions of appropriate qualifications and professional standards for career practitioners.

In establishing a market in guidance, a primary issue is to ensure regulatory and monitoring arrangements are in place for the growing number of private providers. There is no requirement for providers to be registered with a professional careers association. There are also no prescribed criteria providers have to meet in order to practise career guidance. Therefore, the onus is on the individual or organization purchasing the service to assess the quality of the service. This may be difficult without a benchmark. The government has not yet determined whether it will retain an auditing or

monitoring role as the private market in careers guidance develops. Although it is important to ensure the quality of service providers, it is also important to ensure that quality requirements are not unnecessarily onerous and that compliance costs are not burdensome.

Leadership role

Government must consider the infrastructure it requires to ensure its policies on the availability of consistent, quality career information and guidance services to all New Zealanders are met. This will require addressing questions around the appropriate role of government in the market place. Can leadership be effectively achieved in the absence of a government-owned provider? Is the leadership role consistent with a nationwide network? The government has an interest in ensuring guidance services are available to all who require it, including those in school or tertiary education, and those who are out of the work force. To what extent this can be achieved in the absence of a government-initiated leadership role, is yet to be determined.

Action Steps Needed

In order for the above issues to be addressed, several action steps can be identified:

- Monitor and evaluate current policy in relation to:
  - the ability of schools to deliver effective career education and guidance to their students in the context of the 1995 Career Information and Guidance Review decisions;
  - the accessibility and value of careers guidance to those people out of the work force and at risk of social exclusion whose career guidance needs are currently met via state agencies; and
  - the impact and accessibility of careers information via KiwiCareers and the need for complementary career information delivery mechanisms.

- Raise the level of debate at a policy level around the issues outlined in this paper and other relevant issues raised at the Symposium.

- Increase the profile of career guidance in the wider community in the context of human capability development, informal decision making, labour market policy and economic benefit.

- Harness technology to maximize access and the subsequent benefits of career guidance. For example, build on the technological developments in career information, such as KiwiCareers in New Zealand.